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Monthly
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MONTHLY FAILURES SLACKEN SEASONALLY IN RETAILING AND CONSTRUCTION

NEW YORK, Jan 25 - - Although business failures took a seasonal dip, slowing 6.1 per cent in July to 565 from 602 in the previous month, they were the highest for any July in three years. Some 23 per cent more casualties occurred than in July 1978 when there were 459.

Dollar liabilities fell off more sharply than the number of concerns failing - - a 22. 3 per cent decline to $212.2 million from the eight-month peak of $273.2 million in June. Except for very small casualties with liabilities under $5,000 and very large ones for $1 million or more, fewer concerns went under in July than in the preceding month.

The month's slackening centered in construction where failures dropped to the lowest level in ten months and in retailing, the lowest in seven months. General builders accounted for the lightening in construction casualties, food and home furnishing stores for most of the easing in the retail category. Meantime, failures of manufacturers held at a relatively steady pace in June and a contrasting increase prevailed in service operations, primarily in transportation and business services.

More businesses failed than in the year-earlier July in all functions except construction. Casualties ran half again as heavy in wholesaling and service, with the climb centered in machinery dealers and business services. Almost one-fifth more manufacturing and retail enterprises succumbed than in July 1978, with the machinery industry and restaurants hardest hit.

Geographically, the easing in business casualties between June and July was concentrated in the New England, East North Central and South Atlantic States, with the latter region's toll the smallest in twelve months. Holding at a relatively steady rate were failures in the Middle Atlantic, West North and West South Central States. On the other hand, a climb from year-earlier levels was nearly nation-wide, prevailing in seven of the nine major regions.

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INDUSTRY AND TRADE	NUMBER OF FAILURES				LIABILITIES (In Thousands of Dollars)			
	JULY		SEVEN MONTHS		JULY		SEVEN MONTHS	
	1979	1978	1979	1978	1979	1978	1979	1978
MINING & MANUFACTURING								
Mining-Coal, Oil, Miscellaneous	5	--	53	68	19,954	--	46,430	132,963
Food & Kindred Products	9	4	59	41	12,151	10,475	50,595	50,856
Textile Mill Products & Apparel	12	5	94	93	4,745	559	68,916	50,499
Lumber & Lumber Products	12	15	91	91	4,042	5,932	48,041	85,217
Paper, Printing & Publishing	9	6	88	79	1,030	2,042	20,211	31,500
Chemicals & Allied Products	5	2	22	17	566	2,675	13,190	10,596
Leather & Leather Products	1	1	5	11	75	8,942	8,971	20,900
Stone Clay & Glass Products	3	2	15	17	25	2,150	14,524	4,015
Metals, Primary & Fabricated	4	11	49	55	4,041	7,970	32,245	35,721
Machinery	21	9	118	71	1,949	5,605	140,040	99,652
Transportation Equipment	--	5	25	22	--	5,745	34,981	11,951
Miscellaneous	14	15	109	92	24,675	11,350	57,707	90,095
TOTAL MINING & MANUFACTURING	90	78	869	765	81,697	59,720	490,241	620,004
WHOLESALE TRADE								
Food & Farm Products	9	10	90	77	10,958	4,947	50,266	23,357
Apparel	2	3	11	16	900	546	5,476	4,752
Dry Goods	2	--	11	12	521	--	12,726	3,234
Lumber, Bldg. Materials & Hardware	7	5	51	51	961	5,355	10,400	19,858
Chemicals & Drugs	3	1	18	20	546	4	11,067	24,562
Motor Vehicles & Auto Equipment	7	5	41	34	1,051	912	9,628	4,954
Electrical Goods	5	3	30	36	1,466	23,201	12,877	56,240
Furniture & Furnishings	4	3	22	20	514	1,366	7,697	6,949
Machinery, Equipment & Supplies	14	6	105	75	17,614	1,265	59,257	14,665
Miscellaneous	25	10	144	118	15,534	24,007	59,551	65,468
TOTAL WHOLESALE TRADE	74	46	536	450	49,151	59,611	239,965	222,241
RETAIL TRADE								
Food & Liquor	15	19	205	166	1,614	1,513	110,100	25,941
General Merchandise	5	4	40	58	2,559	1,354	13,052	27,595
Apparel Accessories	34	26	266	254	4,681	3,799	28,792	24,612
Furniture & Home Furnishings	22	20	237	223	4,948	5,051	48,825	26,739
Lumber, Bldg. Materials & Hardware	11	7	99	85	1,174	1,889	22,937	14,215
Automotive Group	34	21	269	256	4,688	5,004	44,516	34,051
Eating & Drinking Places	49	35	583	510	8,647	4,906	91,167	42,515
Drug Stores	2	4	41	41	191	385	4,759	9,271
Miscellaneous	44	51	564	556	3,975	6,051	41,365	51,070
TOTAL RETAIL TRADE	216	191	1,951	1,681	32,227	25,152	405,289	256,617
CONSTRUCTION								
General Building Contractors	36	33	362	290	7,223	19,049	90,156	37,060
Building Sub-Contractors	53	59	472	366	7,515	11,632	67,525	60,585
Other Contractors	4	2	38	29	708	1,924	22,678	9,556
TOTAL CONSTRUCTION	93	94	872	688	15,446	32,605	180,359	146,779
COMMERCIAL SERVICE								
Passenger & Freight Transporation	26	25	193	197	5,302	49,766	88,392	125,379
Miscellaneous Public Services	--	1	3	--	--	502	4,071	2,278
Hotels	1	1	14	16	102	15	10,851	16,099
Cleaning, Dyeing & Repairing	5	2	21	15	337	322	1,502	2,311
Laundries	2	--	8	9	690	--	952	660
Funeral Services	1	1	5	5	17	76	214	572
Other Personal Services	10	4	51	51	937	406	4,095	2,618
Business Services	36	24	225	195	16,139	5,147	80,044	89,812
Repair Services	9	4	86	54	156	497	4,723	7,644
TOTAL COMMERCIAL SERVICE	92	60	550	470	24,694	56,715	194,920	247,755
TOTAL UNITED STATES	565	459	4,529	3,914	212,200	231,121	1,475,654	1,471,779

APPARENT ANNUAL NUMBER OF FAILURES PER 10,000 Listed Enterprises

	UNADJUSTED INDEX			ADJUSTED INDEX		
	1979	1978	1977	1979	1978	1977
January	27.7	21.0	29.1	27.4	21.5	29.4
February	27.8	27.4	34.0	24.4	24.0	29.6R
March	30.1	26.3	34.6	27.9	24.6	32.3
April	32.1	25.3	33.6R	30.9	24.3	31.7R
May	30.5	24.5	31.4	29.1	23.4	30.2
June	25.3	21.7	30.5	26.2	21.9	30.5
July	25.5	20.2	22.2	27.5	22.0	24.1
August		27.4	27.6		29.8	29.7
September		20.3	24.5		22.6	27.0
October		21.7	25.7		22.5	26.2
November		26.0	29.1		23.2	27.0
December		28.4	28.2R		28.4	24.7R
No. Average		25.4	28.4			

DUN'S FAILURE INDEX RELATES THE NUMBER OF FAILURES IN EACH MONTH TO THE NUMBER OF INDUSTRIAL AND COMMERCIAL ENTERPRISES LISTED IN THE DUN & BRADSTREET REFERENCE BOOK. IT SHOWS THE ANNUAL RATE AT WHICH BUSINESS CONCERNS WOULD FAIL IF THE NUMBER OF FAILURES AND CONCERNS LISTED IN THAT MONTH PREVAILED FOR AN ENTIRE YEAR. THE INDEX IS EXPRESSED AS THE ANNUAL NUMBER OF FAILURES PER 10,000 LISTED INDUSTRIAL AND COMMERCIAL ENTERPRISES.

THE 'UNADJUSTED' FIGURES HAVE BEEN SLIGHTLY ADJUSTED TO EQUALIZE, AS SO FAR AS POSSIBLE, THE NUMBER OF WORKING DAYS IN EACH MONTH. SEASONAL FLUCTUATIONS HAVE BEEN REMOVED IN THE ADJUSTED INDEX BY THE METHOD OF DEVIATIONS FROM A TWELVE-MONTH MOVING AVERAGE.

	NUMBER OF FAILURES			LIABILITIES (In Thousands of Dollars)		
	1979	1978	1977	1979	1978	1977
January	642	504	664	182,220	168,308	168,559
February	545	559	695	177,087	205,014	106,197
March	712	666	958	437,765	324,412	248,196
April	756	594	804	242,764	202,940	207,272
May	708	565	724	290,449	180,309	475,886
June	602	519	732	275,191	170,850	305,660
July	565	459	515	212,200	231,121	577,825
August		675	667		206,565	550,253
September		458	560		127,022	96,996
October		511	546		475,562R	115,692
November		556	621		170,955	200,287
December		535	517		126,535	168,517
Total		6,619	7,959		2,656,006R	5,095,567

BUSINESS FAILURES INCLUDE THOSE BUSINESSES THAT CEASED OPERATIONS FOLLOWING ASSIGNMENT, OR BANKRUPTCY; CEASED WITH THE LOSS TO CREDITORS AFTER SUCH ACTIONS AS EXECUTION, FORECLOSURE, OR ATTACHMENT; VOLUNTARILY WITHDREW LEAVING UNPAID OBLIGATIONS; WERE INVOLVED IN COURT ACTIONS SUCH AS RECEIVERSHIP, REORGANIZATION, OR ARRANGEMENT, OR VOLUNTARILY COMPROMISED WITH CREDITORS OUT OF COURT.

LIABILITIES, AS USED IN THE FAILURE RECORD, HAVE A SPECIAL MEANING: THEY INCLUDE ALL ACCOUNTS AND NOTES PAYABLE AND ALL OBLIGATIONS, WHETHER IN SECURED FORM OR NOT, KNOWN TO BE HELD BY BANKS, OFFICERS, AFFILIATED COMPANIES, SUPPLYING COMPANIES, OR THE GOVERNMENT. THEY DO NOT INCLUDE LONG-TERM, PUBLICLY-HELD OBLIGATIONS. OFFSETTING ASSETS ARE NOT TAKEN INTO ACCOUNT.

UNITED STATES FAILURES BY STATES A&Y 1979

REGIONS AND STATES	NUMBER OF FAILURES				LIABILITIES (In Thousands of Dollars)			
	A&Y		SEVEN MONTHS		A&Y		SEVEN MONTHS	
	1979	1978	1979	1978	1979	1978	1979	1978
MAINE	4	--	29	19	104	--	2,672	5,025
NEW HAMPSHIRE	--	3	10	15	--	4,306	5,021	7,474
VERMONT	--	--	5	6	--	--	71	185
MASSACHUSETTS	17	15	129	172	4,519	1,539	44,628	58,276
CONNECTICUT	10	--	65	32	20,587	--	29,029	2,565
RHODE ISLAND	1	--	2	4	4,561	--	5,619	1,909
TOTAL NEW ENGLAND	32	18	235	254	29,930	5,845	86,840	75,992
NEW YORK	33	35	310	368	12,090	7,325	127,886	292,212
NEW JERSEY	32	25	227	260	25,165	14,596	112,505	111,940
PENNSYLVANIA	33	24	228	198	15,816	17,992	101,787	111,425
TOTAL MIDDLE ATLANTIC	98	84	765	826	49,071	39,913	342,178	515,529
OHIO	24	15	195	167	5,925	1,735	45,830	20,421
INDIANA	10	12	100	97	1,750	2,092	29,561	10,158
ILLINOIS	18	37	219	245	4,247	5,952	34,099	29,861
MICHIGAN	29	7	239	159	7,915	1,019	81,169	35,160
WISCONSIN	14	5	77	50	19,119	302	25,275	9,766
TOTAL EAST NORTH CENTRAL	95	76	830	718	38,955	11,100	215,934	105,366
MINNESOTA	20	13	136	101	18,025	1,765	42,363	11,453
IOWA	6	6	46	39	327	1,276	6,794	4,279
MISSOURI	1	6	54	44	30	190	4,545	5,505
NORTH DAKOTA	--	1	15	10	--	57	5,992	2,101
SOUTH DAKOTA	1	1	17	14	460	119	6,217	1,539
NEBRASKA	4	1	31	33	5,361	52	7,701	11,125
KANSAS	12	5	63	57	1,165	940	9,301	6,796
TOTAL WEST NORTH CENTRAL	42	33	362	298	25,368	4,341	82,913	43,798
MARYLAND	6	--	77	44	205	--	11,466	4,038
DELAWARE	--	1	6	2	--	29	1,109	226
DISTRICT OF COLUMBIA	1	--	8	--	167	--	1,530	--
VIRGINIA	5	13	72	46	566	15,838	15,095	20,355
WEST VIRGINIA	--	1	10	9	--	75	6,704	1,950
NORTH CAROLINA	6	2	62	9	5,525	7.7	15,552	1,915
SOUTH CAROLINA	--	1	2	8	--	25,000	12,042	25,920
GEORGIA	5	--	76	23	395	--	20,039	17,045
FLORIDA	7	6	55	106	960	420	25,998	20,374
TOTAL SOUTH ATLANTIC	24	24	368	248	8,044	50,718	107,565	89,601
KENTUCKY	7	5	57	45	2,090	470	9,949	19,268
TENNESSEE	28	9	121	36	6,073	687	33,606	15,469
ALABAMA	2	8	71	50	467	5,953	12,875	11,124
MISSISSIPPI	1	1	21	13	298	115	6,296	2,900
TOTAL EAST SOUTH CENTRAL	38	21	250	210	9,817	7,085	47,726	48,790
ARKANSAS	5	7	41	41	858	858	4,902	6,908
OKLAHOMA	10	18	93	110	1,166	27,492	18,576	45,178
LOUISIANA	15	4	88	56	2,810	1,937	36,660	40,405
TEXAS	92	29	341	215	21,988	35,490	208,667	107,458
TOTAL WEST SOUTH CENTRAL	122	58	563	420	26,831	65,764	268,705	199,949
MONTANA	5	5	25	14	490	153	4,761	1,661
IDAHO	5	--	14	11	762	--	1,867	1,165
WYOMING	--	--	2	2	--	--	1,626	144
COLORADO	9	1	70	25	2,366	51	19,690	2,912
NEW MEXICO	--	--	5	--	--	--	174	--
ARIZONA	3	--	17	29	573	--	1,146	6,425
UTAH	--	--	9	1	--	--	2,068	8
NEVADA	--	3	13	12	--	602	1,870	1,516
TOTAL MOUNTAIN	22	7	159	97	4,460	806	35,191	13,829
ALASKA	--	--	8	2	--	--	184	320
HAWAII	1	1	15	10	513	15	5,090	3,455
WASHINGTON	21	19	193	130	2,546	2,861	45,194	32,958
OREGON	23	10	116	72	5,065	2,938	40,539	10,972
CALIFORNIA	87	112	671	609	20,712	55,032	135,025	214,660
TOTAL PACIFIC	132	142	996	854	27,236	61,244	266,130	262,365
25 LARGEST CITIES								
NEW YORK, NEW YORK	21	21	233	286	9,985	6,963	114,955	273,466
CHICAGO, ILLINOIS	7	11	30	68	756	2,169	20,985	55,530
LOS ANGELES, CALIFORNIA	9	11	53	72	1,492	1,424	12,659	72,301
PHILADELPHIA, PENNSYLVANIA	8	7	45	62	1,307	12,819	24,511	36,647
DETROIT, MICHIGAN	4	--	35	20	1,545	--	8,045	5,735
HOUSTON, TEXAS	6	6	61	40	3,794	2,475	25,305	22,129
BALTIMORE, MARYLAND	2	--	15	24	125	--	6,343	2,043
DALLAS, TEXAS	11	5	56	69	8,359	5,921	40,596	35,999
WASHINGTON, D. C.	1	--	9	--	167	--	2,075	--
CLEVELAND, OHIO	2	4	16	16	574	888	4,650	2,061
INDIANAPOLIS, INDIANA	3	6	21	31	540	1,164	4,104	6,603
MILWAUKEE, WISCONSIN	2	1	11	15	61	190	1,050	1,763
SAN FRANCISCO, CALIFORNIA	3	9	28	30	7,104	55,603	20,057	50,293
SAN DIEGO, CALIFORNIA	1	--	7	--	210	--	1,075	--
SAN ANTONIO, TEXAS	6	2	25	2	3,178	439	7,202	439
BOSTON, MASSACHUSETTS	2	4	18	20	161	419	4,466	2,610
MEMPHIS, TENNESSEE	4	2	24	20	2,810	135	5,725	7,501
ST. LOUIS, MISSOURI	1	--	5	5	51	--	94	617
NEW ORLEANS, LOUISIANA	6	1	17	7	1,264	96	16,994	15,900
PHOENIX, ARIZONA	1	--	7	15	96	--	465	3,361
COLUMBUS, OHIO	3	--	12	15	76	--	4,172	5,229
SEATTLE, WASHINGTON	3	6	27	33	140	1,024	5,816	9,660
JACKSONVILLE, FLORIDA	--	--	--	--	--	--	--	--
PITTSBURG, PENNSYLVANIA	1	1	12	15	6	125	16,074	2,236
DENVER, COLORADO	5	--	20	8	2,082	--	9,559	1,905
TOTAL 25 CITIES	111	95	843	867	45,429	85,895	356,953	577,114
BALANCE OF COUNTRY	454	364	5,685	5,017	166,771	165,926	1,118,597	894,665
TOTAL UNITED STATES	565	459	6,528	5,884	212,200	251,821	1,475,554	1,471,779

SIZE OF LIABILITIES (Thousands of Dollars)

SIZE OF LIABILITIES BY INDUSTRY GROUP	JULY 1979			JULY 1978			SEVEN MONTHS 1979			SEVEN MONTHS 1978		
	NUMBER	PER CENT	CURRENT LIAB.	NUMBER	PER CENT	CURRENT LIAB.	NUMBER	PER CENT	CURRENT LIAB.	NUMBER	PER CENT	CURRENT LIAB.
MINING & MANUFACTURING	90	100.0	91,687	76	100.0	93,221	669	100.0	490,247	485	100.0	625,514
Under $5,000	--	--	--	1	1.3	4	1	0.1	1	5	1.0	12
$5,000 to $25,000	9	10.0	157	6	7.9	99	48	7.2	758	50	10.3	904
$25,000 to $100,000	28	31.1	1,744	19	25.0	1,115	157	23.5	11,078	115	23.6	10,301
$100,000 to $1,000,000	36	40.0	15,366	33	43.7	30,405	321	48.1	96,615	271	46.5	72,649
$1,000,000 and Over	17	18.9	76,420	13	17.1	61,515	103	15.4	381,905	6	1.0	541,343
WHOLESALE TRADE	74	100.0	48,151	68	100.0	59,611	536	100.0	214,363	450	100.0	212,241
Under $5,000	--	--	--	1	2.1	4	4	0.9	11	1	0.2	4
$5,000 to $25,000	2	2.7	19	5	8.2	40	37	6.9	179	31	6.2	145
$25,000 to $100,000	24	32.4	1,595	17	25.4	917	171	31.9	9,826	164	36.5	9,411
$100,000 to $1,000,000	38	51.4	10,261	20	41.7	24,655	212	52.6	89,212	210	46.7	57,541
$1,000,000 and Over	10	13.5	36,276	7	10.6	33,997	42	7.1	114,361	30	10.4	144,749
RETAIL TRADE	216	100.0	32,227	181	100.0	25,192	1,691	100.0	403,299	1,601	100.0	256,687
Under $5,000	2	0.9	9	2	1.1	5	25	1.5	75	12	0.7	41
$5,000 to $25,000	24	11.1	330	30	16.6	452	500	29.4	4,506	290	17.2	4,460
$25,000 to $100,000	96	44.4	5,473	68	47.5	5,960	835	44.1	40,849	836	49.9	45,992
$100,000 to $1,000,000	90	41.7	21,151	59	32.6	11,962	714	36.6	175,915	518	30.8	122,528
$1,000,000 and Over	4	1.9	5,224	4	2.2	8,451	57	1.9	175,886	25	1.4	83,666
CONSTRUCTION	93	100.0	15,446	84	100.0	32,404	925	100.0	170,335	888	100.0	146,179
Under $5,000	--	--	--	--	--	--	6	0.6	13	7	1.1	25
$5,000 to $25,000	5	5.3	103	1	1.2	270	97	11.1	1,414	106	15.4	1,675
$25,000 to $100,000	38	40.8	2,185	29	30.8	1,340	514	59.1	17,554	272	30.5	15,050
$100,000 to $1,000,000	46	49.5	11,960	41	45.6	11,669	590	46.2	102,550	291	40.9	76,726
$1,000,000 and Over	1	1.1	1,179	6	6.4	19,319	28	5.4	48,964	22	5.2	51,515
COMMERCIAL SERVICE	92	100.0	24,589	60	100.0	54,755	550	100.0	194,920	480	100.0	267,755
Under $5,000	2	2.2	5	2	3.3	5	10	1.8	25	12	2.5	48
$5,000 to $25,000	18	19.6	286	9	15.0	136	112	20.4	1,652	84	17.5	1,209
$25,000 to 100,000	34	36.9	1,929	21	35.0	1,106	201	36.6	10,856	179	37.3	9,505
$100,000 to $1,000,000	33	35.9	8,128	21	35.0	6,251	201	36.5	54,517	180	37.5	69,115
$1,000,000 and Over	5	5.4	14,341	7	11.7	47,253	26	4.7	127,747	25	5.2	187,878
TOTAL UNITED STATES	565	100.0	212,200	469	100.0	251,921	4,429	100.0	1,675,654	3,904	100.0	1,471,376
Under $5,000	4	0.7	14	6	1.3	16	44	1.0	126	35	0.9	130
$5,000 to $25,000	61	10.8	975	66	14.4	1,002	592	13.1	9,041	567	14.6	8,695
$25,000 to $100,000	220	38.9	12,904	172	37.5	9,656	1,756	39.0	77,917	1,636	42.2	80,868
$100,000 to $1,000,000	245	43.0	64,866	176	38.4	45,052	1,898	41.9	517,807	1,660	57.6	590,554
$1,000,000 and Over	37	6.6	133,441	51	9.0	176,157	236	5.2	850,963	104	4.7	981,554

FAILURES BY FEDERAL RESERVE DISTRICTS BY DIVISIONS OF INDUSTRY...JULY 1979
(Liabilities in Thousands of Dollars)

FEDERAL RESERVE DISTRICTS BY INDUSTRY GROUP	MANUFACTURING		WHOLESALE TRADE		RETAIL TRADE		CONSTRUCTION		COMM. SERVICE		U. S. TOTAL	
	NUMBER	CURRENT LIAB.	NUMBER	CURRENT LIAB.	NUMBER	CURRENT LIAB.	NUMBER	CURRENT LIAB.	NUMBER	CURRENT LIAB.	NUMBER	CURRENT LIAB.
Boston	3	4,939	3	273	10	1,924	6	929	6	1,782	28	9,646
New York	12	16,864	13	21,840	24	5,904	2	125	11	11,827*	62	54,460
Philadelphia	3	921	4	799	3	549	7	1,511	7	5,196	56	4,776
Cleveland	5	12,295	5	435	13	658	7	664	4	55	56	14,107
Richmond	2	3,050	1	314	5	565	4	509	2	77	14	4,293
Atlanta	5	1,794	2	577	16	5,572	11	1,251	11	1,575	46	8,569
Chicago	7	10,554	7	6,164	33	4,145	11	2,332	9	525	67	32,720
St. Louis	4	7,567	5	674	9	2,471	2	242	5	2,188	25	13,142
Minneapolis	3	12,056	5	3,065	7	855	5	567	2	122	26	18,223
Kansas City	2	1,157	6	4,595	15	1,250	1	141	5	454	30	8,055
Dallas	1	4,467	2	1,570	22	2,967	3	2,417	5	2,350	41	15,769
San Francisco	25	6,561	15	7,441	54	9,389	24	4,579	25	2,950	143	51,120
Total United States	90	91,687	74	48,151	216	52,227	93	15,446	92	24,589	565	212,200

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Monthly
Failures

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FAILURES CLIMB TO 28-MONTH PEAK

NEW YORK, February 28 - - Climbing to the highest level since the early months of 1979, business failures totalled 736 in August 1979, reports Dun & Bradstreet. This casualty rate exceeded by 30.3 per cent the 565 in the preceding month and was 9.0 per cent above the 675 in August 1978.

A 35.5 per cent upsurge took place in the dollar volume of liabilities involved in the month's casualties, to $287.4 million from $212.2 million in the previous month. This was the largest amount in seventeen months. While most of the increase between July and August in failing concerns centered in medium-sized casualties, the uptrend from comparable '78 levels centered in relatively small $5,000 to $25,000 bankruptcies and large million dollar ones.

During the first eight months of 1979, commercial and industrial failures ran 16 per cent higher in number and 6 per cent higher in dollar liabilities.

Construction and retail businesses suffered the most severe increases in casualties during August, some 50 and 40 per cent respectively. Among retailers, home furnishings stores had twice as many failures as a month earlier, and sizeable increases also hit food stores, the automotive group, and restaurants.

Service enterprises, which showed a minimal month-to-month rise, showed an upturn of one-third from the year-ago casualty rate, primarily in business services. The only other steep climb from '78 levels occurred in wholesaling.

All geographic regions except the West North Central and Mountain States had heavier casualties during August. Exceptionally strong increases prevailed in New Jersey, Maryland, Virginia, Georgia, Illinois, Wisconsin, Ohio and Washington. Contrary to this widespread rise in failures from the prior month, only four of the nine regions reported noteworthy uptrends from the like month a year-earlier: the New England, Middle Atlantic, East North Central and Pacific States.

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INDUSTRY AND TRADE	NUMBER OF FAILURES				LIABILITIES			
	AUGUST		EIGHT MONTHS		AUGUST		EIGHT MONTHS	
	1979	1978	1979	1978	1979	1978	1979	1978
MINING AND MANUFACTURING								
Mining-Coal, Oil, Miscellaneous	8	4	45	27	6,280	823	92,710	133,806
Food & Kindred Products	4	10	42	51	5,542	22,530	45,127	61,414
Textile Mill Products & Apparel	15	11	99	94	6,493	10,990	73,409	71,489
Lumber & Lumber Products	9	12	90	93	2,031	5,321	48,072	90,558
Paper, Printing & Publishing	12	10	100	89	2,633	2,179	22,844	33,679
Chemicals & Allied Products	3	2	25	19	563	4,494	13,753	22,890
Leather & Leather Products	--	2	5	13	--	8,719	8,971	37,619
Stone, Clay & Glass Products	2	6	17	23	327	3,517	14,891	7,532
Metals, Primary & Fabricated	10	14	59	67	29,657	8,035	62,102	43,756
Machinery	9	16	125	87	3,234	9,097	115,274	104,729
Transportation Equipment	8	1	33	23	2,470	1,781	36,857	13,702
Miscellaneous	24	16	132	108	15,980	8,036	73,867	88,681
TOTAL MINING AND MANUFACTURING	104	104	772	689	75,380	81,522	565,637	709,855
WHOLESALE TRADE								
Food & Farm Products	15	9	105	86	14,503	2,104	64,768	35,491
Apparel	2	--	20	16	178	--	4,154	4,732
Dry Goods	5	1	16	13	7,569	399	19,795	5,633
Lumber, Bldg. Materials & Hardware	7	7	58	45	4,709	1,700	15,109	21,538
Chemicals & Drugs	3	1	21	21	1,674	452	12,741	25,014
Motor Vehicles & Auto Equipment	7	3	46	37	35,856	505	44,462	5,457
Electrical Goods	6	6	44	44	5,600	1,172	18,677	35,412
Furniture & Furnishings	5	6	27	34	1,788	1,437	9,425	10,796
Machinery, Equipment & Supplies	16	6	119	81	7,215	1,000	45,490	15,883
Miscellaneous	23	18	167	132	9,318	4,254	68,969	67,722
TOTAL WHOLESALE TRADE	89	59	625	509	88,607	13,021	303,570	225,268
RETAIL TRADE								
Food & Liquor	27	40	230	208	2,436	5,629	112,536	31,570
General Merchandise	6	8	46	66	895	286	13,947	27,879
Apparel Accessories	35	30	301	284	5,151	3,276	31,943	27,888
Furniture & Home Furnishings	44	52	321	279	8,220	6,490	57,043	33,229
Lumber, Bldg. Materials & Hardware	17	12	116	95	2,399	1,104	25,536	19,319
Automotive Group	53	41	351	275	6,944	4,882	51,280	39,813
Eating & Drinking Places	66	58	449	366	8,447	8,654	99,614	50,949
Drug Stores	9	13	46	54	789	1,867	5,528	11,138
Miscellaneous	51	54	395	360	19,829	7,817	61,192	38,887
TOTAL RETAIL TRADE	304	308	2,295	1,989	55,110	40,005	458,399	276,892
CONSTRUCTION								
General Building Contractors	66	51	428	341	20,608	12,408	100,742	89,468
Building Sub-Contractors	73	79	493	444	10,669	13,435	78,192	73,820
Other Contractors	3	5	42	34	1,610	13,435	24,288	22,769
TOTAL CONSTRUCTION	142	131	963	819	32,887	39,278	203,222	186,057
COMMERCIAL SERVICE								
Passenger & Freight Transportation	25	20	178	177	28,419	20,673	116,801	146,452
Miscellaneous Public Services	2	--	11	9	725	--	4,796	2,278
Hotels	3	5	17	21	1,689	3,629	12,546	19,728
Cleaning, Dyeing & Repairing	5	4	26	20	599	182	2,101	2,493
Laundries	--	2	6	11	--	261	932	901
Funeral Services	2	1	7	4	333	42	547	414
Other Personal Services	9	5	60	36	890	352	4,985	3,178
Business Services	38	29	261	210	3,309	4,972	83,353	94,784
Repair Services	13	11	81	65	1,480	2,458	6,203	10,102
TOTAL COMMERCIAL SERVICE	97	75	647	553	37,444	32,569	232,264	280,322
TOTAL UNITED STATES	736	675	5,264	4,559	287,438	206,395	1,763,092	1,678,174

APPARENT ANNUAL NUMBER OF FAILURES PER 10,000 Listed Enterprises

	UNADJUSTED INDEX			ADJUSTED INDEX		
	1979	1978	1977	1979	1978	1977
January	27.7	21.8	28.7	27.4	21.5	28.4
February	27.8	27.4	34.0	24.4	24.0	29.6R
March	30.1	26.3	34.6	27.9	24.6	32.3
April	32.7	25.3	33.6R	30.8	24.1	31.7R
May	30.3	24.5	31.4	29.1	23.4	30.2
June	29.9	21.7	30.5	28.2	21.9	30.8
July	25.3	20.2	22.2	27.5	22.0	24.1
August	30.6	27.4	27.6	32.9	29.8	29.7
September		30.3	24.3		22.6	27.0
October		21.8	23.7		22.5	24.2
November		26.0	28.1		25.2	27.0
December		24.0	22.3R		26.4	24.7R
No. Average		23.9	28.4			

DUN'S FAILURE INDEX RELATES THE NUMBER OF FAILURES IN EACH MONTH TO THE NUMBER OF INDUSTRIAL AND COMMERCIAL ENTERPRISES LISTED IN THE DUN & BRADSTREET REFERENCE BOOK. IT SHOWS THE ANNUAL RATE AT WHICH BUSINESS CONCERNS WOULD FAIL IF THE NUMBER OF FAILURES AND CONCERNS LISTED IN THAT MONTH PREVAILED FOR AN ENTIRE YEAR. THE INDEX IS EXPRESSED AS THE ANNUAL NUMBER OF FAILURES PER 10,000 LISTED INDUSTRIAL AND COMMERCIAL ENTERPRISES.

THE "UNADJUSTED" FIGURES HAVE BEEN SLIGHTLY ADJUSTED TO EQUALIZE, IN SO FAR AS POSSIBLE, THE NUMBER OF WORKING DAYS IN EACH MONTH. SEASONAL FLUCTUATIONS HAVE BEEN REMOVED IN THE ADJUSTED INDEX BY THE METHOD OF DEVIATIONS FROM A TWELVE-MONTH MOVING AVERAGE.

	NUMBER OF FAILURES			LIABILITIES (In Thousands of Dollars)		
	1979	1978	1977	1979	1978	1977
January	642	504	664	182,220	168,308	168,530
February	545	559	693	177,087	205,014	194,197
March	732	666	858	187,783	324,412	248,196
April	734	594	804	242,764	202,990	207,272
May	708	583	724	200,449	160,395	473,886
June	602	519	782	275,171	178,839	309,840
July	565	459	513	212,202	231,821	577,825
August	736	675	687	287,436	206,395	338,252
September		458	560		127,022	96,994
October		511	546		479,342R	115,692
November		556	621		178,933	200,287
December		535	517		136,539	168,317
Total		6,619	7,919	2,656,006R	3,095,317	

BUSINESS FAILURES INCLUDE THOSE BUSINESSES THAT CEASED OPERATIONS FOLLOWING ASSIGNMENT, OR BANKRUPTCY; CEASED WITH THE LOSS TO CREDITORS AFTER SUCH ACTIONS AS EXECUTION, FORECLOSURE, OR ATTACHMENT; VOLUNTARILY WITHDREW LEAVING UNPAID OBLIGATIONS; WERE INVOLVED IN COURT ACTIONS SUCH AS RECEIVERSHIP, REORGANIZATION, OR ARRANGEMENT; OR VOLUNTARILY COMPROMISED WITH CREDITORS OUT OF COURT.

LIABILITIES, AS USED IN THE FAILURE RECORD, HAVE A SPECIAL MEANING: THEY INCLUDE ALL ACCOUNTS AND NOTES PAYABLE AND ALL OBLIGATIONS, WHETHER IN SECURED FROM OR NOT, KNOWN TO BE HELD BY BANKS, OFFICERS, AFFILIATED COMPANIES, SUPPLYING COMPANIES, OR THE GOVERNMENT. THEY DO NOT INCLUDE LONG-TERM, PUBLICLY-HELD OBLIGATIONS. OFFSETTING ASSETS ARE NOT TAKEN INTO ACCOUNT.

UNITED STATES FAILURES BY STATES -- AUGUST 1979

REGIONS AND STATES	NUMBER OF FAILURES				LIABILITIES (In Thousands of Dollars)			
	AUGUST		EIGHT MONTHS		AUGUST		EIGHT MONTHS	
	1979	1978	1979	1978	1979	1978	1979	1978
MAINE	6	--	14	19	8,843	--	11,515	3,025
NEW HAMPSHIRE	--	2	10	19	--	247	5,021	7,721
VERMONT	2	--	5	6	2,530	--	2,641	745
MASSACHUSETTS	21	25	149	197	46,654	3,936	91,282	62,212
CONNECTICUT	8	4	71	36	4,265	359	35,292	2,924
RHODE ISLAND	--	--	3	9	--	--	5,419	1,809
TOTAL NEW ENGLAND	37	31	272	295	62,330	4,542	149,130	78,434
NEW YORK	35	46	345	414	6,880	12,892	134,766	305,094
NEW JERSEY	69	35	296	284	23,408	35,227	199,991	147,117
PENNSYLVANIA	38	44	266	242	4,901	25,875	112,608	137,298
TOTAL MIDDLE ATLANTIC	142	129	907	940	35,189	73,994	383,365	589,509
OHIO	31	33	216	288	2,936	9,107	48,766	23,525
INDIANA	16	10	116	97	3,089	1,247	33,250	19,405
ILLINOIS	39	30	258	273	41,575	12,865	95,473	92,528
MICHIGAN	25	19	303	178	2,589	4,651	83,718	37,811
WISCONSIN	24	19	101	58	3,065	3,795	28,338	13,561
TOTAL EAST NORTH CENTRAL	135	111	994	807	53,614	27,665	289,545	186,831
MINNESOTA	7	16	142	117	6,112	3,728	48,475	19,181
IOWA	12	15	98	50	3,104	22,602	9,899	26,881
MISSOURI	2	8	36	50	991	1,392	4,897	6,895
NORTH DAKOTA	4	3	17	21	2,221	266	6,213	2,389
SOUTH DAKOTA	2	2	19	16	244	189	6,461	7,828
NEBRASKA	4	1	41	34	2,922	1,016	10,703	72,141
KANSAS	11	5	34	42	3,294	627	12,591	7,424
TOTAL WEST NORTH CENTRAL	42	48	387	330	18,248	29,823	99,130	130,719
MARYLAND	15	13	92	57	715	1,187	12,201	5,205
DELAWARE	--	--	8	2	--	--	1,109	228
DISTRICT OF COLUMBIA	1	--	9	--	27	--	1,565	--
VIRGINIA	14	8	86	55	7,380	421	20,475	20,776
WEST VIRGINIA	--	4	10	15	--	130	8,704	1,980
NORTH CAROLINA	5	18	65	27	913	1,795	16,465	3,709
SOUTH CAROLINA	--	--	2	6	--	--	12,042	23,820
GEORGIA	20	15	96	58	12,107	10,600	32,146	27,643
FLORIDA	2	9	55	115	353	2,653	26,351	23,007
TOTAL SOUTH ATLANTIC	55	65	421	313	21,493	16,764	129,058	106,368
KENTUCKY	12	14	49	57	2,653	1,122	11,602	20,390
TENNESSEE	11	16	132	112	3,041	1,202	22,647	16,690
ALABAMA	16	9	87	67	4,655	1,786	17,528	12,910
MISSISSIPPI	2	3	23	16	143	530	6,441	3,430
TOTAL EAST SOUTH CENTRAL	41	42	291	252	10,492	4,640	58,218	53,420
ARKANSAS	13	--	54	41	1,225	--	6,027	8,906
OKLAHOMA	11	11	94	129	1,552	1,154	20,128	44,332
LOUISIANA	19	10	105	66	3,298	1,299	37,958	41,702
TEXAS	67	80	408	293	16,897	20,738	225,564	128,196
TOTAL WEST SOUTH CENTRAL	106	101	659	529	22,972	23,191	289,677	221,136
MONTANA	4	4	29	23	460	216	5,221	1,877
IDAHO	2	5	16	16	64	188	1,931	1,312
WYOMING	1	1	3	3	132	375	1,758	519
COLORADO	5	7	75	30	512	509	20,211	3,421
NEW MEXICO	--	--	3	--	--	--	174	--
ARIZONA	2	7	19	36	263	798	1,409	7,225
UTAH	--	--	9	1	--	--	2,048	8
NEVADA	3	--	22	12	227	--	2,097	1,316
TOTAL MOUNTAIN	17	24	176	121	1,658	2,047	34,849	15,678
ALASKA	1	--	2	2	13	--	197	320
HAWAII	5	5	20	13	696	925	3,786	4,380
WASHINGTON	56	7	249	177	34,614	3,681	79,808	36,639
OREGON	17	14	133	86	8,678	841	49,217	11,813
CALIFORNIA	82	102	753	702	17,441	18,292	197,064	232,952
TOTAL PACIFIC	161	128	1,157	982	61,442	23,739	330,072	286,084
25 LARGEST CITIES								
NEW YORK, NEW YORK	70	30	265	316	3,011	6,616	117,984	280,092
CHICAGO, ILLINOIS	8	7	78	75	34,455	1,779	55,438	35,109
LOS ANGELES, CALIFORNIA	13	13	68	85	1,488	3,566	14,147	75,867
PHILADELPHIA, PENNSYLVANIA	13	8	58	70	1,586	563	28,077	37,210
DETROIT, MICHIGAN	1	2	36	22	84	616	8,109	6,351
HOUSTON, TEXAS	7	6	68	46	4,377	3,431	29,680	25,582
BALTIMORE, MARYLAND	7	8	60	32	395	657	6,738	2,700
DALLAS, TEXAS	10	4	86	53	1,328	936	41,924	36,995
WASHINGTON D.C.	1	--	10	--	27	--	2,100	--
CLEVELAND, OHIO	3	3	21	19	594	1,092	5,244	3,153
INDIANAPOLIS, INDIANA	2	4	23	35	91	809	4,195	7,302
MILWAUKEE, WISCONSIN	3	2	14	15	800	128	1,630	1,691
SAN FRANCISCO, CALIFORNIA	3	4	31	34	1,982	501	21,658	38,784
SAN DIEGO, CALIFORNIA	1	--	8	--	60	--	1,133	--
SAN ANTONIO, TEXAS	5	25	28	25	3,998	4,347	10,800	4,782
BOSTON MASSACHUSETTS	1	3	19	23	26,117	234	30,803	2,864
MEMPHIS, TENNESSEE	3	4	29	24	1,495	459	7,220	7,980
ST. LOUIS, MISSOURI	--	1	5	8	--	95	84	512
NEW ORLEANS, LOUISIANA	3	2	20	9	479	199	17,473	16,099
PHOENIX, ARIZONA	--	4	7	19	--	995	465	3,786
COLUMBUS, OHIO	2	2	14	15	112	124	4,284	3,353
SEATTLE, WASHINGTON	10	1	37	34	591	90	6,407	9,690
JACKSONVILLE, FLORIDA	--	--	--	--	--	--	--	--
PITTSBURG, PENNSYLVANIA	1	4	13	17	150	185	16,224	2,423
DENVER, COLORADO	2	2	22	10	49	129	9,808	1,832
TOTAL 25 CITIES	133	137	976	984	82,229	26,751	439,188	603,865
BALANCE OF COUNTRY	603	538	4,288	3,575	205,209	179,644	1,323,906	1,074,309
TOTAL UNITED STATES	736	675	5,264	4,559	287,438	206,395	1,763,092	1,678,174

SIZE OF LIABILITIES (Thousands of Dollars)

SIZE OF LIABILITIES BY INDUSTRY GROUP	AUGUST 1979 NUMBER	AUGUST 1979 PER CENT	AUGUST 1979 CURRENT LIAB.	AUGUST 1978 NUMBER	AUGUST 1978 PER CENT	AUGUST 1978 CURRENT LIAB.	EIGHT MONTHS 1979 NUMBER	EIGHT MONTHS 1979 PER CENT	EIGHT MONTHS 1979 CURRENT LIAB.	EIGHT MONTHS 1978 NUMBER	EIGHT MONTHS 1978 PER CENT	EIGHT MONTHS 1978 CURRENT LIAB.
MINING & MANUFACTURING	104	100.0	75,390	104	100.0	91,522	772	100.0	585,657	689	100.0	709,836
Under $5,000	--	--	--	1	1.0	4	1	0.1	1	4	0.6	16
$5,000 to $25,000	9	8.7	131	4	3.8	50	55	7.1	885	54	7.8	856
$25,000 to $100,000	30	28.9	1,670	25	24.0	1,549	227	29.4	12,744	210	30.5	12,450
$100,000 to $1,000,000	50	48.0	13,955	58	55.8	15,965	371	48.1	110,170	329	47.8	98,613
$1,000,000 and Over	15	14.4	60,034	16	15.4	65,954	118	15.3	441,857	92	13.3	597,901
WHOLESALE TRADE	89	100.0	88,607	59	100.0	13,021	625	100.0	303,570	509	100.0	225,268
Under $5,000	1	1.1	3	2	3.4	4	5	0.8	14	3	0.6	8
$5,000 to $25,000	3	7.9	104	3	5.1	38	44	7.1	679	40	7.9	981
$25,000 to $100,000	26	29.2	1,517	17	28.8	877	197	31.5	11,341	181	35.6	10,288
$100,000 to $1,000,000	40	44.9	14,439	36	61.0	10,989	322	51.5	102,651	246	48.3	68,530
$1,000,000 and Over	15	16.9	72,544	1	1.7	1,113	57	9.1	188,885	39	7.6	145,861
RETAIL TRADE	304	100.0	53,110	308	100.0	40,005	2,255	100.0	458,399	1,989	100.0	276,692
Under $5,000	--	--	--	5	1.6	18	25	1.1	73	17	0.9	59
$5,000 to $25,000	57	18.8	892	40	13.0	658	357	15.0	5,478	330	16.6	5,118
$25,000 to $100,000	132	43.4	7,508	146	47.4	8,322	1,007	44.7	56,157	984	49.4	54,314
$100,000 to $1,000,000	112	36.8	24,403	116	37.7	27,017	826	36.6	200,316	634	31.9	149,345
$1,000,000 and Over	3	1.0	20,307	1	0.3	5,990	40	1.8	196,375	24	1.2	67,856
CONSTRUCTION	142	100.0	32,887	131	100.0	39,278	965	100.0	203,222	819	100.0	186,056
Under $5,000	1	0.7	4	2	1.5	6	5	0.5	17	9	1.1	33
$5,000 to $25,000	25	17.6	403	16	12.2	261	122	12.6	1,977	122	14.9	1,936
$25,000 to $100,000	59	41.6	3,155	49	36.7	2,508	375	38.7	20,487	320	39.1	17,547
$100,000 to $1,000,000	52	36.6	15,747	58	44.3	15,468	432	44.8	118,297	339	41.4	94,192
$1,000,000 and Over	5	3.5	13,580	7	5.3	21,033	33	3.4	62,544	29	3.5	72,348
COMMERCIAL SERVICE	97	100.0	37,444	73	100.0	32,569	647	100.0	232,264	553	100.0	280,322
Under $5,000	--	--	--	1	1.4	2	10	1.5	28	13	2.3	50
$5,000 to $25,000	19	19.6	244	15	20.6	230	131	20.3	1,896	99	17.9	1,439
$25,000 to $100,000	46	47.4	2,618	22	30.1	1,350	247	38.2	13,454	201	36.4	10,855
$100,000 to $1,000,000	28	28.9	8,710	29	39.7	6,019	229	35.4	63,227	209	37.8	55,132
$1,000,000 and Over	4	4.1	25,872	6	8.2	24,968	30	4.6	153,659	31	5.6	212,846
TOTAL UNITED STATES	736	100.0	287,438	675	100.0	206,395	5,264	100.0	1,763,092	4,559	100.0	1,678,174
Under $5,000	2	0.3	7	11	1.6	36	46	0.9	133	46	1.0	166
$5,000 to $25,000	117	15.9	1,774	71	10.5	1,237	709	13.5	10,815	645	14.2	9,930
$25,000 to $100,000	293	39.8	16,266	256	37.9	14,606	2,051	38.9	114,183	1,896	41.6	105,454
$100,000 to $1,000,000	282	38.3	76,854	297	44.0	75,458	2,180	41.4	504,661	1,757	38.5	466,012
$1,000,000 and Over	42	5.7	192,537	31	4.6	115,058	278	5.3	1,043,300	215	4.7	1,096,612

FAILURES BY FEDERAL RESERVE DISTRICTS BY DIVISIONS OF INDUSTRY...AUGUST 1979
(Liabilities in Thousands of Dollars)

FEDERAL RESERVE DISTRICTS BY INDUSTRY GROUP	MANUFACTURING NUMBER	MANUFACTURING CURRENT LIAB.	WHOLESALE TRADE NUMBER	WHOLESALE TRADE CURRENT LIAB.	RETAIL TRADE NUMBER	RETAIL TRADE CURRENT LIAB.	CONSTRUCTION NUMBER	CONSTRUCTION CURRENT LIAB.	COMM. SERVICE NUMBER	COMM. SERVICE CURRENT LIAB.	U. S. TOTAL NUMBER	U. S. TOTAL CURRENT LIAB.
Boston	7	9,416	4	2,610	11	17,003	2	189	3	2,699	27	31,917
New York	11	2,248	18	15,900	37	2,431	12	4,598	17	3,303	95	28,480
Philadelphia	8	1,872	3	3,145	25	2,268	12	2,426	3	378	49	10,089
Cleveland	1	375	6	478	14	1,215	10	1,804	6	867	37	4,537
Richmond	3	5,629	2	75	16	1,744	7	1,250	4	350	34	9,048
Atlanta	11	7,170	5	1,689	20	2,303	14	8,615	4	916	54	20,893
Chicago	9	1,775	11	36,918	49	8,621	21	4,396	12	1,349	102	51,059
St. Louis	2	171	3	1,427	19	2,744	9	991	7	1,029	40	6,362
Minneapolis	2	59	4	7,402	9	1,049	3	899	2	438	20	9,807
Kansas City	4	2,942	4	591	11	1,517	7	1,242	7	2,384	33	8,676
Dallas	10	3,861	11	6,031	28	4,180	18	3,721	5	170	72	17,963
San Francisco	34	39,872	18	12,341	67	9,837	27	2,796	27	23,761	173	88,607
TOTAL UNITED STATES	104	75,390	89	88,607	304	53,110	142	32,887	97	37,444	736	287,438

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FAILURES DOUBLE FROM 28-MONTH HIGH WITH RETAILERS LEADING THE DECLINE

NEW YORK, April 1 - - In a decline far exceeding the usual seasonal slack, business failures slowed 31.4 per cent to 505 in September from the twenty-eight month peak of 736 set in August, reports Dun & Bradstreet. Nevertheless, commercial and industrial casualties remained 10.3 per cent higher than the 458 reported in the like month of 1978.

Dollar liabilities incurred by the failing concerns shrank by more than one-third to $186.2 million from $287.4 million in the previous month. Still, volume bulked almost half again as heavy as the $127.0 million in September 1978. This surge stemmed from million dollar bankruptcies which numbered 38 in the latest September vs. 15 a year earlier.

Failures slackened between August and September in all types of operation, with the toll among retailers off the most, 41 per cent. While casualties in other functions did not fall as low as in some preceding months of 1978, retailing had the fewest in over two decades. Drug stores were the only retail category in which failures did not abate. On the other hand, the September easing in manufacturing casualties centered in the metals and transportation industries, the wholesaling ebb in food.

Steep climbs from 1978 levels prevailed in all functions except retailing, with manufacturing and wholesaling tolls up over one third, construction one sixth, while the service toll nearly doubled. Noteworthy increases from September a year earlier took place in machinery manufacturing and wholesaling, general building contracting, transportation and business services.

All except two of the nation's nine major geographic regions experienced a slowing in business casualties during September. But in most areas, failures ran higher than in the comparable month of 1978. The sharpest increase from a year earlier prevailed in the West North Central and East South Central Regions, particularly in Missouri and Tennessee. In contrast, the East North Central Region had a decline, primarily in Illinois and Wisconsin.

# # #

INDUSTRY AND TRADE	NUMBER OF FAILURES				LIABILITIES			
	SEPTEMBER		NINE MONTHS		SEPTEMBER		NINE MONTHS	
	1979	1978	1979	1978	1979	1978	1979	1978
MINING AND MANUFACTURING								
Mining-Coal, Oil, Miscellaneous	6	3	51	25	5,640	7,150	58,550	140,956
Food & Kindred Products	3	3	45	54	4,006	1,366	49,153	62,790
Textile Mill Products & Apparel	12	10	114	104	13,913	6,031	87,322	79,520
Lumber & Lumber Products	7	9	97	102	1,277	793	49,349	91,321
Paper, Printing & Publishing	9	10	109	99	3,253	1,226	26,797	34,905
Chemicals & Allied Products	1	3	26	22	1,192	1,105	14,945	23,935
Leather & Leather Products	1	--	6	13	46	--	9,019	57,619
Stone, Clay & Glass Products	3	3	20	26	2,460	4,530	17,311	12,062
Metals, Primary & Fabricated	5	4	64	71	2,455	16,760	64,560	60,506
Machinery	13	4	138	91	18,437	1,332	131,711	106,261
Transportation Equipment	4	2	37	25	7,136	765	43,995	14,470
Miscellaneous	10	17	147	119	15,716	5,994	47,303	42,375
TOTAL MINING AND MANUFACTURING	82	61	854	750	74,836	46,935	640,075	756,770
WHOLESALE TRADE								
Food & Farm Products	8	11	113	97	11,329	1,508	76,097	36,999
Apparel	--	--	20	16	--	--	4,154	4,732
Jewelry Goods	2	--	18	13	599	--	20,184	5,633
Lumber, Bldg. Materials & Hardware	2	5	60	50	3,747	936	18,856	22,474
Chemicals & Drugs	1	3	22	24	1,405	1,367	14,146	26,381
Motor Vehicles & Auto Equipment	6	1	54	38	8,561	60	93,043	5,517
Electrical Goods	6	3	50	47	6,626	615	25,303	36,027
Furniture & Furnishings	--	1	27	38	--	200	9,425	10,586
Machinery, Equipment & Supplies	21	8	140	99	7,795	4,314	52,745	20,257
Miscellaneous	24	20	191	152	5,149	18,069	74,118	85,811
TOTAL WHOLESALE TRADE	70	52	695	561	44,901	27,149	348,071	252,417
RETAIL TRADE								
Food & Liquor	14	31	244	259	1,998	3,979	114,534	35,549
General Merchandise	4	8	50	74	304	414	14,251	28,793
Apparel Accessories	29	33	330	317	5,256	4,242	35,201	32,130
Furniture & Home Furnishings	23	17	201	181	2,361	1,340	55,411	34,775
Lumber, Bldg. Materials & Hardware	6	10	122	105	662	1,671	25,990	16,990
Automotive Group	24	41	313	316	4,836	7,322	55,796	47,135
Eating & Drinking Places	41	33	490	401	7,454	5,716	107,048	56,685
Drug Stores	6	7	51	61	197	751	5,725	11,889
Miscellaneous	32	33	427	313	4,449	2,802	65,641	41,589
TOTAL RETAIL TRADE	178	213	2,233	2,204	25,200	28,243	483,605	305,635
CONSTRUCTION								
General Building Contractors	30	40	478	361	10,559	6,124	111,301	95,592
Building Sub-Contractors	53	47	548	491	6,642	7,370	85,034	81,190
Other Contractors	4	5	46	39	768	1,769	25,056	24,538
TOTAL CONSTRUCTION	107	92	1,072	911	18,169	15,263	221,391	201,320
COMMERCIAL SERVICE								
Passenger & Freight Transportation	25	11	203	188	18,631	6,617	135,432	153,069
Miscellaneous Public Services	1	--	12	9	154	--	4,950	2,278
Hotels	--	1	17	22	--	467	12,546	20,215
Cleaning, Dyeing & Repairing	--	4	26	24	--	95	2,101	2,588
Laundries	--	--	6	11	--	--	932	901
Funeral Services	1	--	8	4	22	--	569	414
Other Personal Services	4	4	64	40	150	586	5,135	3,756
Business Services	31	10	292	220	4,045	588	87,449	95,372
Repair Services	6	8	47	73	828	359	7,031	10,461
TOTAL COMMERCIAL SERVICE	68	38	675	591	23,831	8,732	256,145	289,054
TOTAL UNITED STATES	505	459	5,769	5,017	186,195	127,022	1,949,287	1,805,196

APPARENT ANNUAL NUMBER OF FAILURES PER 10,000 Listed Enterprises

	UNADJUSTED INDEX			ADJUSTED INDEX		
	1979	1978	1977	1979	1978	1977
January	27.3	21.8	28.7	27.4	21.5	28.4
February	27.8	22.4	34.3	24.4	24.0	29.6R
March	30.1	26.3	34.8	27.9	24.6	32.3
April	32.7	25.3	33.6R	30.3	22.1	31.7R
May	30.3	24.3	31.4	29.1	23.4	30.2
June	29.8	24.7	30.5	28.2	23.9	30.1
July	29.4	23.8	29.5	27.5	23.1	29.1
August	30.6	23.8	27.6	32.0	29.8	29.7
September	27.5	20.5	24.5	26.1	22.6	27.0
October		19.8	23.7		22.5	24.2
November		24.0	28.1		25.2	27.0
December		23.6	22.53		26.4	24.7
Yr. Average		23.8	28.6R			

DUN'S FAILURE INDEX RELATES THE NUMBER OF FAILURES IN EACH MONTH TO THE NUMBER OF INDUSTRIAL AND COMMERCIAL ENTERPRISES LISTED IN THE DUN & BRADSTREET REFERENCE BOOK. IT SHOWS THE ANNUAL RATE AT WHICH BUSINESS CONCERNS WOULD FAIL IF THE NUMBER OF FAILURES AND CONCERNS LISTED IN THAT MONTH PREVAILED FOR AN ENTIRE YEAR. THE INDEX IS EXPRESSED AS THE ANNUAL NUMBER OF FAILURES PER 10,000 LISTED INDUSTRIAL AND COMMERCIAL ENTERPRISES.

THE "UNADJUSTED" FIGURES HAVE BEEN SLIGHTLY ADJUSTED TO EQUALIZE, IN SO FAR AS POSSIBLE, THE NUMBER OF WORKING DAYS IN EACH MONTH, SEASONAL FLUCTUATIONS HAVE BEEN REMOVED IN THE ADJUSTED INDEX BY THE METHOD OF DEVIATIONS FROM A TWELVE-MONTH MOVING AVERAGE.

	NUMBER OF FAILURES			LIABILITIES (In Thousands of Dollars)		
	1979	1978	1977	1979	1978	1977
January	642	504	664	182,220	168,308	168,539
February	545	559	693	177,087	205,014	194,197
March	732	666	858	187,763	324,412	246,196
April	734	594	804	242,764	202,990	207,272
May	700	563	724	200,449	160,595	473,886
June	602	511	732	225,121	177,50	305,960
July	565	459	513	212,200	231,821	577,825
August	736	575	687	287,438	206,395	338,252
September	505	458	560	186,195	127,022	96,944
October		511	546		475,342R	115,692
November		556	621		178,933	200,287
December		535	517		198,535	166,317
Total		6,611	7,919		2,656,006R	3,095,317

BUSINESS FAILURES INCLUDE THOSE BUSINESSES THAT CEASED OPERATIONS FOLLOWING ASSIGNMENT, OR BANKRUPTCY; CEASED WITH THE LOSS TO CREDITORS AFTER SUCH ACTIONS AS EXECUTION, FORECLOSURE, OR ATTACHMENT; VOLUNTARILY WITHDREW LEAVING UNPAID OBLIGATIONS; WERE INVOLVED IN COURT ACTIONS SUCH AS RECEIVERSHIP, REORGANIZATION, OR ARRANGEMENT, OR VOLUNTARILY COMPROMISED WITH CREDITORS OUT OF COURT.

LIABILITIES, AS USED IN THE FAILURE RECORD, HAVE A SPECIAL MEANING: THEY INCLUDE ALL ACCOUNTS AND NOTES PAYABLE AND ALL OBLIGATIONS, WHETHER IN SECURED FORM OR NOT, KNOWN TO BE HELD BY BANKS, OFFICERS, AFFILIATED COMPANIES, SUPPLYING COMPANIES, OR THE GOVERNMENT. THEY DO NOT INCLUDE LONG-TERM, PUBLICLY-HELD OBLIGATIONS. OFFSETTING ASSETS ARE NOT TAKEN INTO ACCOUNT.

UNITED STATES FAILURES BY STATES -- SEPTEMBER 1979

REGIONS AND STATES	NUMBER OF FAILURES				LIABILITIES (In Thousands of Dollars)			
	SEPTEMBER		NINE MONTHS		SEPTEMBER		NINE MONTHS	
	1979	1978	1979	1978	1979	1978	1979	1978
MAINE	1	--	35	19	63	--	11,567	3,023
NEW HAMPSHIRE	--	3	10	21	--	524	5,021	8,245
VERMONT	--	--	5	6	--	--	2,641	745
MASSACHUSETTS	18	13	167	210	3,073	6,267	94,356	83,479
CONNECTICUT	6	--	37	36	1,531	--	34,833	2,924
RHODE ISLAND	--	6	3	15	--	853	5,611	2,662
TOTAL NEW ENGLAND	25	22	257	307	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
NEW JERSEY	31	21	327	313	17,736	5,429	155,127	152,542
PENNSYLVANIA	26	18	292	260	4,073	3,152	116,681	140,450
TOTAL MIDDLE ATLANTIC	84	72	991	1,012	60,294	30,736	443,659	625,245
OHIO	23	27	239	228	14,304	2,767	65,570	28,315
INDIANA	15	11	131	109	7,913	2,239	41,165	21,644
ILLINOIS	17	28	277	301	7,515	4,193	107,988	96,719
MICHIGAN	11	11	321	189	4,849	3,089	40,567	40,900
WISCONSIN	5	13	107	71	606	1,693	28,944	15,454
TOTAL EAST NORTH CENTRAL	71	90	1,075	897	35,587	14,201	324,232	203,032
MINNESOTA	10	10	150	132	3,920	1,826	58,395	17,007
IOWA	2	5	60	56	116	1,429	10,014	28,310
MISSOURI	15	5	54	55	3,776	692	7,973	7,567
NORTH DAKOTA	2	2	19	23	110	205	6,323	2,576
SOUTH DAKOTA	--	1	19	19	--	342	6,461	1,170
NEBRASKA	6	2	47	36	2,298	472	13,901	72,613
KANSAS	5	7	82	64	1,609	977	14,300	8,401
TOTAL WEST NORTH CENTRAL	54	40	441	370	17,329	5,943	116,467	144,662
MARYLAND	7	7	99	64	413	526	12,616	5,731
DELAWARE	--	--	6	2	--	--	1,109	226
DISTRICT OF COLUMBIA	--	--	9	--	--	--	1,565	--
VIRGINIA	15	7	111	62	3,848	440	34,323	21,616
WEST VIRGINIA	--	2	10	15	--	202	6,704	2,182
NORTH CAROLINA	14	3	79	30	1,145	164	17,610	3,872
SOUTH CAROLINA	--	1	2	7	--	54	12,042	23,454
GEORGIA	8	13	104	51	4,357	2,711	34,503	30,424
FLORIDA	1	6	56	121	347	732	25,698	23,739
TOTAL SOUTH ATLANTIC	45	39	486	352	10,112	5,279	176,170	111,614
KENTUCKY	4	7	51	64	346	1,929	11,949	22,319
TENNESSEE	33	8	165	120	7,479	5,362	30,216	20,652
ALABAMA	3	10	30	71	4,952	859	27,430	13,769
MISSISSIPPI	1	1	24	17	924	16	7,265	3,466
TOTAL EAST SOUTH CENTRAL	41	26	330	272	13,501	8,765	76,859	60,185
ARKANSAS	3	5	51	46	476	343	7,003	7,249
OKLAHOMA	5	11	57	66	2,201	1,777	20,757	[illegible]
LOUISIANA	9	8	112	72	3,261	1,751	40,219	43,453
TEXAS	50	36	456	331	12,543	29,491	238,107	157,607
TOTAL WEST SOUTH CENTRAL	65	60	724	589	16,020	32,919	305,697	254,055
MONTANA	--	--	29	23	--	--	5,221	1,877
IDAHO	--	2	16	11	--	473	1,331	1,785
WYOMING	--	--	3	3	--	--	1,756	514
COLORADO	6	3	79	33	3,904	218	23,715	3,634
NEW MEXICO	--	--	3	--	--	--	174	--
ARIZONA	3	4	22	40	646	1,400	2,057	8,623
UTAH	--	1	9	2	--	141	2,048	149
NEVADA	1	2	23	14	2X	75	2,297	1,391
TOTAL MOUNTAIN	10	12	184	133	4,552	2,307	39,201	17,983
ALASKA	--	--	2	2	--	--	197	320
HAWAII	4	2	24	17	1,341	1,747	5,177	6,107
WASHINGTON	5	--	252	177	898	--	80,706	36,639
OREGON	10	14	143	100	1,076	948	50,293	12,761
CALIFORNIA	[illegible]	1	[illegible]	[illegible]	[illegible]	[illegible]	212,772	[illegible]
TOTAL PACIFIC	119	17	1,299	1,079	17,073	10,728	349,145	302,312
25 LARGEST CITIES								
NEW YORK, NEW YORK	17	13	282	320	23,371	19,154	146,335	299,236
CHICAGO, ILLINOIS	4	5	82	80	5,525	497	60,363	35,306
LOS ANGELES, CALIFORNIA	8	5	74	90	2,613	518	16,760	76,365
PHILADELPHIA, PENNSYLVANIA	5	2	63	72	202	42	26,359	37,252
DETROIT, MICHIGAN	3	--	99	22	2,430	--	10,599	6,351
HOUSTON, TEXAS	7	3	79	49	2,247	810	31,927	26,379
BALTIMORE, MARYLAND	5	2	45	38	285	250	7,023	2,950
DALLAS, TEXAS	7	11	73	64	1,194	6,040	43,118	42,995
WASHINGTON, D.C.	--	--	10	--	--	--	2,100	--
CLEVELAND, OHIO	2	3	23	22	10,462	171	15,706	3,324
INDIANAPOLIS, INDIANA	--	--	23	35	--	--	4,195	7,302
MILWAUKEE, WISCONSIN	1	1	15	16	14	300	1,644	2,191
SAN FRANCISCO, CALIFORNIA	2	3	33	37	111	205	21,750	38,989
SAN DIEGO, CALIFORNIA	--	--	8	--	--	--	1,133	--
SAN ANTONIO, TEXAS	4	1	32	26	559	119	11,359	4,901
BOSTON, MASSACHUSETTS	2	3	21	26	121	801	30,724	3,465
MEMPHIS, TENNESSEE	7	--	36	24	934	--	8,154	7,960
ST. LOUIS, MISSOURI	1	1	4	7	22	92	106	604
NEW ORLEANS, LOUISIANA	1	1	21	10	568	79	18,041	16,178
PHOENIX, ARIZONA	3	2	10	21	648	1,346	1,113	5,132
COLUMBUS, OHIO	1	2	15	17	46	190	4,330	3,543
SEATTLE, WASHINGTON	1	--	38	34	3	--	3,410	9,690
JACKSONVILLE, FLORIDA	--	--	--	--	--	--	--	--
PITTSBURGH, PENNSYLVANIA	--	--	13	17	--	--	16,224	2,423
DENVER, COLORADO	--	--	22	10	--	--	7,601	1,632
TOTAL 25 CITIES	81	58	1,057	1,042	56,[illegible]95	30,623	495,681	634,488
BALANCE OF COUNTRY	424	400	4,712	3,975	123,700	96,399	1,453,606	1,170,708
TOTAL UNITED STATES	505	458	5,769	5,017	166,195	127,022	1,949,287	1,805,196

SIZE OF LIABILITIES (Thousands of Dollars)

SIZE OF LIABILITIES BY INDUSTRY GROUP	SEPTEMBER 1979			SEPTEMBER 1978			NINE MONTHS 1979			NINE MONTHS 1978		
	NUMBER	PER CENT	CURRENT LIAB.	NUMBER	PER CENT	CURRENT LIAB.	NUMBER	PER CENT	CURRENT LIAB.	NUMBER	PER CENT	CURRENT LIAB.
MINING & MANUFACTURING	82	100.0	74,436	61	100.0	46,935	854	100.0	640,075	750	100.0	756,771
Under $5,000	--	--	--	1	1.6	4	1	0.1	1	5	0.7	20
$5,000 to $25,000	4	4.9	41	1	1.6	10	59	6.9	926	55	7.3	866
$25,000 to $100,000	20	24.4	1,081	16	26.2	746	247	28.9	13,825	226	30.1	13,176
$100,000 to $1,000,000	41	50.0	17,160	37	60.7	13,790	412	48.3	127,330	366	48.8	112,403
$1,000,000 and Over	17	20.7	56,156	6	9.9	32,383	135	15.8	497,993	98	13.1	630,284
WHOLESALE TRADE	70	100.0	44,501	52	100.0	27,149	695	100.0	348,071	561	100.0	252,417
Under $5,000	--	--	--	--	--	--	5	0.7	14	3	0.5	8
$5,000 to $25,000	4	5.7	66	10	19.2	172	48	6.9	745	50	8.9	753
$25,000 to $100,000	15	21.4	872	15	28.8	924	212	30.5	12,213	196	35.0	11,212
$100,000 to $1,000,000	40	57.2	12,178	24	46.2	8,620	362	52.1	114,829	270	48.1	77,150
$1,000,000 and Over	11	15.7	31,385	3	5.8	17,433	68	9.8	220,270	42	7.5	163,294
RETAIL TRADE	17	100.0	25,790	21	100.0	9,103	2,733	100.0	313,429	2,201	100.0	305,635
Under $5,000	1	0.6	1	3	1.4	10	26	1.1	74	20	0.9	69
$5,000 to $25,000	27	15.2	413	40	18.6	642	384	15.8	5,891	370	16.8	5,760
$25,000 to $100,000	80	44.9	4,609	103	47.9	5,932	1,087	44.7	60,766	1,087	49.3	60,245
$100,000 to $1,000,000	68	38.2	17,754	66	30.7	16,442	894	36.7	218,070	700	31.8	165,987
$1,000,000 and Over	2	1.1	2,423	3	1.4	5,917	42	1.7	198,804	27	1.2	73,575
CONSTRUCTION	107	100.0	18,169	92	100.0	15,283	1,072	100.0	221,311	911	100.0	201,319
Under $5,000	5	2.8	12	2	2.1	8	8	0.7	29	11	1.2	41
$5,000 to $25,000	15	14.0	259	15	16.3	212	137	12.8	2,116	137	15.0	2,148
$25,000 to $100,000	38	35.5	2,351	33	35.9	1,770	411	38.3	22,359	343	37.8	17,317
$100,000 to $1,000,000	47	43.9	7,946	40	43.5	11,219	479	44.7	121,243	379	41.6	105,410
$1,000,000 and Over	4	3.8	5,621	2	2.2	2,055	37	3.5	55,165	31	3.4	74,403
COMMERCIAL SERVICE	68	100.0	23,881	38	100.0	8,752	715	100.0	256,145	591	100.0	289,054
Under $5,000	1	1.5	3	1	2.6	4	11	1.5	31	14	2.4	54
$5,000 to $25,000	13	19.1	229	7	18.4	95	144	20.1	2,125	106	17.9	1,534
$25,000 to $100,000	27	39.7	1,436	19	50.0	936	274	38.3	14,940	220	37.2	11,731
$100,000 to $1,000,000	23	33.8	5,021	10	26.4	3,540	252	35.3	68,248	219	37.1	58,672
$1,000,000 and Over	4	5.9	17,142	1	2.6	4,217	34	4.8	170,801	32	5.4	217,063
TOTAL UNITED STATES	505	100.0	186,195	458	100.0	127,022	5,769	100.0	1,949,287	5,017	100.0	1,805,196
Under $5,000	5	1.0	16	7	1.5	26	51	0.9	147	53	1.1	192
$5,000 to $25,000	63	12.5	988	73	15.9	1,131	772	13.4	11,803	718	14.3	11,061
$25,000 to $100,000	180	35.6	10,399	186	40.6	10,250	2,231	38.6	124,382	2,082	41.5	115,704
$100,000 to $1,000,000	219	43.4	62,059	177	38.7	53,610	2,399	41.6	656,720	1,934	38.5	519,622
$1,000,000 and Over	38	7.5	112,733	15	3.3	62,005	316	5.5	1,156,033	230	4.6	1,158,617

FAILURES BY FEDERAL RESERVE DISTRICTS BY DIVISIONS OF INDUSTRY...SEPTEMBER 1979
(Liabilities In Thousands of Dollars)

FEDERAL RESERVE DISTRICTS BY INDUSTRY GROUP	MANUFACTURING		WHOLESALE TRADE		RETAIL TRADE		CONSTRUCTION		COMM. SERVICE		U. S. TOTAL	
	NUMBER	CURRENT LIAB.	NUMBER	CURRENT LIAB.	NUMBER	CURRENT LIAB.	NUMBER	CURRENT LIAB.	NUMBER	CURRENT LIAB.	NUMBER	CURRENT LIAB.
Boston	3	229	--	--	11	760	7	3,095	3	536	24	4,640
New York	15	25,596	6	1,907	14	1,834	7	2,124	5	14,779	50	46,339
Philadelphia	3	4,434	7	6,395	13	1,954	6	635	4	144	33	13,562
Cleveland	6	12,300	3	394	11	2,175	2	51	5	450	27	15,370
Richmond	4	2,765	5	289	14	1,023	9	1,027	4	304	36	5,408
Atlanta	4	7,300	7	10,380	15	2,360	13	3,507	5	586	44	21,133
Chicago	13	5,620	10	11,622	13	1,685	11	339	7	446	54	20,512
St. Louis	1	193	3	552	8	1,071	3	427	5	264	20	2,507
Minneapolis	4	5,393	5	3,735	9	817	1	44	4	324	23	10,313
Kansas City	4	1,776	7	3,512	12	3,757	11	1,500	2	285	36	10,830
Dallas	5	5,077	7	1,567	21	2,728	13	2,005	6	1,193	52	12,660
San Francisco	15	3,655	10	4,148	37	4,822	24	2,725	20	4,571	106	19,921
TOTAL UNITED STATES	82	74,438	70	44,501	178	25,206	107	18,169	68	23,881	505	186,195

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